
By: **Delegates Eckardt and Cane**
Introduced and read first time: February 13, 2004
Assigned to: Ways and Means

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 30, 2004

CHAPTER_____

1 AN ACT concerning

2 **Dorchester County - County Council - Building Excise Tax**

3 FOR the purpose of authorizing the County Council to fix and impose, by ordinance,
4 a building excise tax on all types of building construction within Dorchester
5 County; requiring the County Council to specify in the ordinance the types of
6 building construction subject to the tax, the criteria and formulas used to assess
7 the tax, and the tax rates; authorizing the County Council to impose different
8 rates of the building excise tax on different types of building construction subject
9 to the tax; requiring that the tax rates relate to the development or
10 growth-related infrastructure needs in the county; requiring that the tax rates
11 not exceed a certain amount; requiring the revenues from the building excise tax
12 to be deposited in a special fund; providing that the revenues from the building
13 excise tax may only be used for certain capital costs of certain public works,
14 improvements and facilities; authorizing the imposition of the building excise
15 tax throughout Dorchester County, including within municipal corporations;
16 requiring a municipal corporation to assist the county in the collection of the
17 building excise tax if the tax is imposed within the municipal corporation;
18 authorizing a municipal corporation that collects the tax to deduct from the
19 revenues collected a certain fee for administrative costs; and generally relating
20 to authorizing the County Council of Dorchester County to impose a building
21 excise tax.

22 BY adding to
23 Article 24 - Political Subdivisions - Miscellaneous Provisions
24 Section 9-1002
25 Annotated Code of Maryland
26 (2001 Replacement Volume and 2003 Supplement)

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article 24 - Political Subdivisions - Miscellaneous Provisions**

4 9-1002.

5 (A) THE COUNTY COUNCIL OF DORCHESTER COUNTY, BY ORDINANCE, MAY
6 FIX AND IMPOSE A BUILDING EXCISE TAX ON ANY BUILDING CONSTRUCTION WITHIN
7 DORCHESTER COUNTY.

8 (B) THE COUNTY COUNCIL SHALL SPECIFY IN THE ORDINANCE:

9 (1) THE TYPES OF BUILDING CONSTRUCTION SUBJECT TO THE
10 BUILDING EXCISE TAX;

11 (2) THE CRITERIA AND FORMULAS USED TO ASSESS THE TAX; AND

12 (3) THE TAX RATES.

13 (C) (1) THE COUNTY COUNCIL MAY IMPOSE DIFFERENT RATES OF THE
14 BUILDING EXCISE TAX ON DIFFERENT TYPES OF BUILDING CONSTRUCTION SUBJECT
15 TO THE BUILDING EXCISE TAX.

16 (2) THE TAX RATES:

17 (I) SHALL RELATE TO THE DEVELOPMENT OR GROWTH-RELATED
18 INFRASTRUCTURE NEEDS IN THE COUNTY; AND

19 (II) MAY NOT EXCEED:

20 1. \$5,000 PER LOT OR PARCEL UNIT FOR RESIDENTIAL
21 DEVELOPMENT WHERE BUILDING CONSTRUCTION IS TO OCCUR; OR

22 2. \$1 PER SQUARE FOOT FOR ANY CATEGORY OF
23 NONRESIDENTIAL DEVELOPMENT, NOT TO EXCEED \$5,000 PER LOT OR PARCEL.

24 (D) (1) THE REVENUES FROM THE BUILDING EXCISE TAX SHALL BE
25 DEPOSITED IN A SPECIAL FUND.

26 (2) THE SPECIAL FUND MAY ONLY BE USED FOR THE CAPITAL COSTS OF
27 ADDITIONAL OR EXPANDED PUBLIC WORKS, IMPROVEMENTS, AND FACILITIES
28 REQUIRED TO ACCOMMODATE NEW CONSTRUCTION OR DEVELOPMENT INCLUDING:

29 (I) EMERGENCY SERVICES;

30 (II) SHERIFF'S OFFICES; AND

31 (III) SCHOOLS.

1 (E) THE BUILDING EXCISE TAX MAY BE IMPOSED THROUGHOUT THE COUNTY,
2 INCLUDING WITHIN MUNICIPAL CORPORATIONS.

3 (F) (1) IF THE BUILDING EXCISE TAX IS IMPOSED WITHIN A MUNICIPAL
4 CORPORATION, THE MUNICIPAL CORPORATION SHALL ASSIST THE COUNTY IN THE
5 COLLECTION OF THE BUILDING EXCISE TAX BY:

6 ~~(1)~~ (I) COLLECTING AND REMITTING THE TAX TO THE COUNTY; OR

7 ~~(2)~~ (II) REQUIRING THE TAX BE PAID TO THE COUNTY IN ACCORDANCE
8 WITH THE TERMS OF THE COUNTY ORDINANCE.

9 (2) A MUNICIPAL CORPORATION THAT COLLECTS THE TAX AND REMITS
10 THE TAX TO THE COUNTY MAY DEDUCT FROM THE REVENUES COLLECTED A FEE,
11 NOT TO EXCEED 2% OF THE REVENUES COLLECTED, FOR ADMINISTRATIVE COSTS.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 July 1, 2004.